

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-02351A Picacho Peak Water Company 28784 Stonehenge Dr. Chesterfield, MI 48047		
		RECEIVED MAY 11 2010 AZ CORP COMM Director Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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3-12-10

COMPANY INFORMATION

Company Name (Business Name) Picacho Peak Water Company

Mailing Address 28784 Stonehenge Drive
Chesterfield (Street) MI (State) 48047 (Zip)

(520) 250-1159 (Telephone No. (Include Area Code)) (586) 421-5036 (Fax No. (Include Area Code)) (520) 250-1159 (Cell No. (Include Area Code))

Email Address dbechamp@yahoo.com

Local Office Mailing Address _____

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) _____ Fax No. (Include Area Code) _____ Cell No. (Include Area Code) _____

Email Address _____

MANAGEMENT INFORMATION

☐ Regulatory Contact:

☐ Management Contact: Bill McCabe (Name) President (Title)

150 Louisiana NE (Street) Albuquerque (City) NM (State) 87108 (Zip)

1-888-240-7746 x-213 (Telephone No. (Include Area Code)) (505) 266-9557 (Fax No. (Include Area Code)) _____ (Cell No. (Include Area Code))

Email Address _____

On Site Manager: _____

(Name) (Street) (City) (State) (Zip)

Telephone No. (Include Area Code) _____ Fax No. (Include Area Code) _____ Cell No. (Include Area Code) _____

Email Address _____

Statutory Agent: Steve Wene

(Name)

1850 North Central Ave., Suite 1100, Phoenix, AZ

(Street)

(City)

(State)

(Zip)

85004

(602) 604-2106

Telephone No. (Include Area Code)

(602) 274-9135

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Moyes, Sellar & Sims

(Name)

1850 North Central Ave., Suite 1100, Phoenix, AZ

(Street)

(City)

(State)

(Zip)

85004

(602) 604-2106

Telephone No. (Include Area Code)

(602) 274-9135

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address SWene@laws.com

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☒ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Picacho Peak Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	2,8160	0	2,8160
304	Structures and Improvements			
307	Wells and Springs	29,200	27,422	1,778
311	Pumping Equipment	164,069	56,050	8,019
320	Water Treatment Equipment	375	375	0
330	Distribution Reservoirs and Standpipes	15,132	12,655	2,477
331	Transmission and Distribution Mains	86,389	66,883	19,506
333	Services	708	673	35
334	Meters and Meter Installations	4,8162	4,593	2169
335	Hydrants	15,870	15,542	328
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6,1603	6,380	223
	TOTALS	226,068	190,573	35,495

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Picacho Peak Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	2860	—	0
304	Structures and Improvements			
307	Wells and Springs	29,200	—	0
311	Pumping Equipment	64,069	0.54	348
320	Water Treatment Equipment	375	—	0
330	Distribution Reservoirs and Standpipes	15,132	—	0
331	Transmission and Distribution Mains	86,389	1.93	1,664
333	Services	708	—	0
334	Meters and Meter Installations	4,862	3.04	148
335	Hydrants	15,870	—	0
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	6,603	6.66	440
	TOTALS	226,068	1.15	2,600

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

Picacho Peak Water Company

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1,071.6	\$ 5,019
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	8,380	14,659
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 9,451.6	\$ 19,678
	FIXED ASSETS		
101	Utility Plant in Service	\$ 221,018	\$ 221,018
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	187,973	190,573
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 38,095	\$ 35,445
	TOTAL ASSETS	\$ 47,551	\$ 55,123

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

*Picacho Peak Water Company***BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 0	\$ 0
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 31,916.6	\$ 21,754
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 31,916.6	\$ 21,754
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	15,585	33,419
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 15,585	\$ 33,419
	TOTAL LIABILITIES AND CAPITAL	\$ 47,551	\$ 55,173

COMPANY NAME Picocho Peak Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 41,630	\$ 55,156
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 41,630	\$ 55,156
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 0	\$ 0
610	Purchased Water		
615	Purchased Power	3,699	3,721
618	Chemicals		
620	Repairs and Maintenance	300	300
621	Office Supplies and Expense		
630	Outside Services	23,357	19,390
635	Water Testing	1,195	1,039
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	500	1,000
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	323	417
403	Depreciation Expense	2,390	2,600
408	Taxes Other Than Income	2,691	2,930
408.11	Property Taxes	12,955	4,500
409	Income Tax	663	45
	TOTAL OPERATING EXPENSES	\$ 48,550	\$ 35,942
	OPERATING INCOME/(LOSS)	\$ <16,920>	\$ 19,214
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	<1,880>	<1,380>
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ <8,800>	\$ 17,834

COMPANY NAME

Picacho Peak Water Company

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	11-15-1979			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 200,000	\$	\$	\$
Amount Outstanding	\$ 21,754	\$	\$	\$
Date of Maturity	2020			
Interest Rate	5.0 %	%	%	%
Current Year Interest	\$ 1,380	\$	\$	\$
Current Year Principle	\$ 10,212	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME <i>Picacho Peak Water Company</i>	ADEQ Public Water System Number:
Name of System:	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
623405	10	64	12"			
623406	10	82	12"			

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	2		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40,000	1	5,000	2

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME <i>Picard's Peak Water Company</i>	ADEQ Public Water System Number:
Name of System:	

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <i>Pinebluff Water Company</i>	ADEQ Public Water System Number:
Name of System:	

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	14	432	432	
FEBRUARY	14	341	341	
MARCH	14	425	425	
APRIL	14	440	440	
MAY	12	304	304	
JUNE	12	382	382	
JULY	12	305	305	
AUGUST	12	310	310	
SEPTEMBER	12	420	420	
OCTOBER	12	289	289	
NOVEMBER	12	449	449	
DECEMBER	12	292	292	
TOTALS →		4,477	4,477	

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☒ Yes ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:	Picacho Peak Water Company
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →	NONE	NONE	

OTHER (description):

COMPANY NAME Picoacho Peak Water Supply YEAR ENDING 12/31/2009

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2009 was: \$ 41,500

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Pinal</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Well Manager</u>
COMPANY NAME	<u>Piccolo Park Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

L. Allen R. Bickings
SIGNATURE OF OWNER OR OFFICIAL

(520) 250-1159
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

8th

DAY OF

COUNTY NAME	<u>MACOMB, MI</u>	
MONTH	<u>MARCH</u>	<u>2010</u>

(SEAL)

Mary C. Gorman
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 8-9-2012

COMPANY NAME Picacho Peak Water Company YEAR ENDING 12/31/2009

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0
Estimated or Actual State Tax Liability 45

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

William R. Berhamp
SIGNATURE

3/8/10
DATE

Dawn Berhamp
PRINTED NAME

Well Manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Pinal</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Well Manager</u>
COMPANY NAME	<u>Picacho Peak Water Company</u>

AC CORP COMM
Director Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2009</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 55,156

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3,556
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

L. Olin R. Behrens
SIGNATURE OF OWNER OR OFFICIAL
(520) 250-1159
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

8th

DAY OF

COUNTY NAME	<u>MACOMB</u>	
MONTH	<u>MARCH</u>	<u>2010</u>

(SEAL)

MY COMMISSION EXPIRES 8-9-2012

Mary C. Gurnea
SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED

MA 11 10
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pinal	
NAME (OWNER OR OFFICIAL)	DAWN BECHAMP	TITLE
COMPANY NAME	Picacho Peak Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 8,680

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 545
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Dawn Bechamp
SIGNATURE OF OWNER OR OFFICIAL
(520) 850-1154
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

8th

DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	MARY C Aumann	
COUNTY NAME	MACOMB	
MONTH	MARCH	20_10

Mary C Aumann
SIGNATURE OF NOTARY PUBLIC

MACOMB